M/s. Glaxo case against DPEA recovery

873. CHOWDHARY RAM SEWAK: Will the Minister of PETROLEUM AND CHEMICALS be pleased to state:

(a) whether it is a fact that M/s. Glaxo has gone to the Delhi High Court against recovery on account of Drug Price Equalisation Account; and

(b) if so, what are the grounds on which they have gone to the court and the action taken by Government in the matter?

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI M. S. GURUPADASWAMY): (a) Yes, Sir.

(b) The entire matter is now *sub judice*.

Assessment of liability on Baralgon Ketone

874. CHOWDHARY RAM SEWAK: Will the Minister of PETROLEUM AND CHEMICALS be pleased to refer to the answer to Unstarred Question 315 given in the Rajya Sabha on the 7th May, 1990 and state:

(a) what were the considerations on which special team assessed the liability no the price of Rs. 8019/- per kg. of Baralgon Ketone;

(b) when was the price of Rs. 8019/- implemented and what were the prices of finished medicines fixed on the price of Rs. 8019/- per kg.;

(c) whether scrutiny of assessment made by special team has been completed; and

(d) if so, what are the findings of the review and what is the final assessment made after review?

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI M. S. GURUPADASWAMY): (a) The Special Team took into consideration the notional price of Rs. 8019.00 per kg. for Baralgone Ketone for determining the liability of M/s. Hoechst, based on the contentions of the company.

(b) Formulation prices were, however, never based on Baralogne Ketone price of Rs 8019/- per kg.

(c) and (d) As a result of scrutiny of the findings of the Special Team, tentative recovery of a sum of Rs. 17.46 crores upto December, 1989 as due from M/s. Hoechst in respect of Baralgone Ketone was communicated to the company on 30th May, 1990. The submissions made by the companies have been rejected and they have been asked to make available all the details so that their liability could be finalised.

875. [*Transferred to 23rd August, 1990*]

Undertaking given by M/s. Hoechst on assessment regarding overcharged amounts

876. CHOWDHARY RAM SEWAK: Will the Minister of PETROLEUM AND CHEMICALS be pleased to refer to Unstarred Question 343 given in the Rajya Sabha on 7th May, 1990 and state:

(a) whether it is a fact that M/s. Hoechst gave an undertaking in the Supreme Court on assessment regarding overcharged amounts;

(b) if so, what are the details of the undertaking;

(c) whether it is a fact that the Special Team deliberately ingnored this undertaking for consideration; and

(d) if so, what action has been taken against the members of the Team and these who examined and accepted their findings for the lapse?

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI M. S. GURUPADASWAMY): (a) and (b) M/s. Hoechst India Ltd. gave an undertaking in the Delhi High Court to deposit in the Court the difference in the price of formulations in question for being deposited in the Equalisation Account in case the petition is dismissed and the rule is discharged. The Supreme Court in its judgement of April-May, 1987 on the Special Leave Petition filed by the Government against the High Court judgement resorted those undertaking.

(c) Since the said undertakings were *ipso facto* binding on the concerned companies,